

CHAPTER III

WISCONSIN STATE CIVIL SERVICE 1929–1959

he next major phase in the administrative history of civil service in Wisconsin began in 1929, with the establishment of the Bureau of Personnel within the executive branch. In response to sustained growth in the scope, complexity, and size of state government operations, the political leaders of the day felt that the part-time, independent Civil Service Commission had outlived its usefulness and that a new institutional arrangement was needed.

In general, state government leaders thought that a stronger executive presence was needed to administer the civil service effectively. The law's focus also had to change from the narrow goal of eliminating patronage to the broader goal of promoting economy and efficiency in government by incorporating new personnel practices patterned after the private sector. State officials were also concerned that civil service coverage had eroded through piecemeal legislative action that had exempted entire departments and groups of employees.



Walter Kohler, Sr. 1929

As Governor Walter J. Kohler stated in his January 10, 1929 address to the legislature, "Continuity of expert personnel is essential. This can be obtained by applying civil service throughout, except only heads of departments. This provision is necessary to safeguard against the development of a political machine."²

Accordingly, at the request of Governor Kohler, reform legislation was introduced in the Wisconsin Assembly on April 22, 1929. The measure was drafted by three acknowledged experts in the field of public personnel administration, with the express purpose to "streamline the civil service agency and consolidate the state's personnel program more directly under the Executive Office."³

At a legislative committee hearing, the bill was characterized as a "bona fide attempt to strengthen the civil service law" by extending its reach to several hundred exempt positions, including Highway Department employees and state engineers. Although there was some opposition from department heads, the measure received bipartisan support and was enacted into law on September 7, 1929.

The reform legislation was looked upon favorably by the press, with the Wisconsin State Journal reporting: "The new law is said to be the most complete civil service measure in effect anywhere in the United States."

The 1929 law reorganized the administrative structure that had existed since 1905 by abolishing the original Civil Service Commission and replacing it with the new Bureau of Personnel, under the quasi-judicial direction of a three-member Personnel Board. Members of the Board were appointed by the governor for overlapping six-year terms, with the advice and consent of the senate. The new administrative head of the agency was the Director of Personnel, who was given greater executive authority for day-to-day administration than previously exercised by the Commission Secretary and Chief Examiner.⁹

Recollections of a State Employee

On August 15, 2005 I will have worked 50 years for the State of Wisconsin.

I presently work for the Department of Regulation and

Licensing. On August 15, 1955, I started as a typist with the Wisconsin Board of Medical Examiners, and in February 1956 I was reclassified to a Stenographer. In 1968 the Board of Medical Examiners was renamed the Medical Examining Board under the Kellett reorganization board. At that time, I applied for that job and was promoted to Administrative Assistant I. In 1972 the Board requested that the title of Executive Secretary be assigned to my position, with supervision of all personnel under the jurisdiction of the Medical Examining Board and all operations and functions of the Board. I was reclassified to Administrative Assistant 3 and then to Administrative Assistant 5 over a period of years. In 1982, all Executive Secretary positions for Examining Boards were made into unclassified Bureau Directors. Since I was a classified state employee, I resumed the title of Administrative Assistant to the Medical Examining Board in the Bureau of Health Professions. I again took on additional duties of training Bureau Directors, learning the regulations and licensing of 20 other health professions, and supervising staff to those other boards. Several years ago when the Bureau Director left, the Department Secretary appointed me Acting Bureau Director, When a new Bureau Director was

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The director's position was itself placed under civil service coverage, a feature of the law that was later characterized as "without doubt the outstanding provision in the United States to safeguard civil service administration from political manipulation." Appointment of the director was made by the governor from a list of three names certified by the Board after competitive examination (in effect, the "rule of three"). The term of appointment was indefinite, with the director subject to removal by the governor with the approval of the Board.

The 1929 act contained many other provisions that served to inaugurate a new era of personnel management in Wisconsin. Most importantly, it authorized the Bureau of Personnel to establish a comprehensive classification and compensation plan for all classified positions under the civil service. Legislation adopted in 1925 had established "positive authority" for developing a plan but its provisions were weak. The new law provided for uniform salary schedules that included minimum and maximum rates of pay, as well as "in-grade" increases for meritorious service. Approval of the compensation plan was tied directly to the state's new budget process, with power to review and approve pay schedules vested in the Joint Finance Committee of the legislature. The provisions were weak.

Another provision, reflecting industrial management practices in vogue in private enterprise, authorized the Bureau to implement a system for conducting and reporting out "efficiency ratings" of employees.¹⁴ Other changes included more clearly defining state employment practices in areas such as transfers, promotions, and benefits; and, in separate legislation, establishing firm rules for awarding veterans preference points.¹⁵

Overall, the 1929 law provided the organizational structure and statutory framework that sustained the Wisconsin civil service system for the next three decades. The law infused the staff of the new Bureau of Personnel with a sense of purpose and spirit of professionalism that foreshadowed innovations to come. As stated in the Bureau's first biennial report to the Legislature:

Our system gives practical expression to the principle that all citizens have an equal right to aspire to serve the state. It provides an orderly and of selecting employees. It establishes like pay for like work under like conditions, subject to variation by employing heads within the schedules established. It is even more comprehensive for it provides means for recognizing meritorious service, after which pay allowances may be based upon efficiency ratings. It establishes for the state a central personnel agency which provides uniformity in handling personnel matters such as recruitments, compensation, promotion, vacations, sick leave, et cetera. This is our field. We are developing an organization to cover it. . . . We proudly claim credit for this department's contributions during the past quarter century to a state government that makes Wisconsin enviably unique among her sister states. 16

Strengthening Just Cause Protections

Over the course of the next thirty years, the Wisconsin Legislature enacted numerous amendments that finetuned the administrative machinery of civil service and expanded the scope of the Bureau of Personnel's functions. One of the most important developments occurred in 1935 when civil service protection for employees was "decidedly strengthened."17 While the original 1905 law provided that an employee could not be discharged, suspended, or demoted "except for just cause, which shall not be religious or political," there was no mechanism for administrative relief, nor was the appointing authority's decision subject to judicial review.¹⁸ After two highly publicized dismissal cases in 1924¹⁹ and 1934 in which the injured employees were not reinstated, despite findings by that the dismissals were "groundless," critics charged that the law lacked "teeth" and "real" safeguards.20

Consequently, with the support of the Personnel Board and Wisconsin State Employees Association, the legislature in 1935 amended the law to allow employees to appeal perceived unjust actions to an impartial third party. ²¹ As enacted, permanent employees were granted a thirty-day right of appeal for a hearing before the Personnel Board, which was vested with full power to enjoin an action or order other remedies. ²²

OTHER DEVELOPMENTS IN THE CIVIL SERVICE SYSTEM

The civil service system was expanded and refined in several key ways during the 1930s through the early 1950s. A significant change in the scope of civil service named, I was put in the position of Coordinator of the Impaired Professional Program, which is my present job.

The highlights of my career were working with different boards, applicants for licensure, attorneys representing licensees, bureau directors, and legislators and continuing to learn ways that would better the citizens of the State of Wisconsin when it came to regulating the professionals. I tried to help everyone—whether an applicant, a disciplined licensee or the general public—feeling that I may need someone's help someday and they would do the same for me.

I know it is rare that anyone would stay with one agency for that long, but the work was interesting and the challenges were great. It was worth it all to me when I had the respect I received from my co-workers and board members.

I was just notified last week that the Federation of
State Medical Boards has nominated me for a
Meritorious service award for outstanding contributions
in the field of medical licensure and discipline. This
award will be presented to me at the national meeting
in Dallas, Texas in May 2005 and it is a great honor to
receive this award. This is the highlight of my career!

To anyone just starting out in the civil service system, I would suggest that they take a job they like, stick with it and learn as much as you can and continue to look for opportunities to advance either in that agency or other agencies.

I have truly enjoyed it and may stay for awhile longer.

—Deanna Zychowski



was implemented in 1937 when the law was amended to place the Beverage Tax Division under civil service. With this change, the "last outpost" of patronage in Wisconsin was "captured" and all positions in state government, except appointive officers and faculty of higher education institutions, were now governed by the merit principle. Interestingly, a similar triumph had been declared in 1931, when coverage was extended to the Banking Department and state librarians, only to be undone two years later by the legislature's exemption of the newly-created Beer Inspection Division (the predecessor to the Beverage Tax Division).²⁴

A number of other legislative changes enacted in this period affected the dynamics of Wisconsin's civil service system:

- 1931: The Personnel Director's executive authority was expanded, continuing the transformation of the Personnel Board into a body that "in practice, considers and rules on questions affecting the state's civil service policies."²⁵
- 1937: The Bureau was granted authority to centrally coordinate and promote training programs for state employees, to establish in-service training apprenticeships, and to create internship opportunities for recipients of public service scholarship loans.²⁶
- 1939: A consulting service was formed in the Bureau to provide technical assistance, at cost, to municipal governments for the adoption and maintenance of local civil service systems.²⁷ This program continues today as Wisconsin Personnel Partners in the Office of State Employment Relations.
- 1941: The provision allowing the Personnel Board to exempt positions from civil service was repealed, eliminating a loophole that could be (and was) exploited for partisan politics.²⁸
- 1947: A Civil Service Advisory Committee, composed of nine department heads appointed by the governor, was created for the purpose of advising the Bureau on matters affecting personnel administration.²⁹

1953: An incentive program, administered by the Merit Award Board, was instituted to reward state employees for suggestions which increase government efficiency.³⁰ This program continues today as the Employee Suggestion Program.

IMPACT OF THE GREAT DEPRESSION AND WAR

National crises had a profound impact on the Bureau of Personnel's work. During the Great Depression, the agency had to wrestle with a number of unique issues related to the ebbs and flows of the national economy and the labor market in particular. During the wage deflation and dwindling state tax revenues of the 1930s, the Bureau advocated for and eventually succeeded in ensuring that the state's "waiver system," which allowed the salaries of state employees to be reduced, was administered equitably.³¹



State employees packing Christmas boxes for soldiers. 1944

In response to the unprecedented level of federal government activity within the state during the 1930s, the Bureau also sorted out jurisdictional issues, developed class specifications, and administered competitive examinations for new state programs funded by federal dollars (e.g., the State Employment Service and the Wisconsin State Planning Board).³²

Finally, the Bureau dealt with the problem of the "state's superannuated employees"—a growing number of aging workers holding on to their state positions as a means of supporting their extended families "during the widespread unemployment of the Great Depression.³³ While the Bureau advocated for a state retirement system as early as 1934, it didn't become a reality until 1943. In the interim, the Bureau resorted to the less than satisfactory solution of enacting rules that allowed such workers to be placed on part-time work at a reduced salary.³⁴

World War II presented a different set of challenges for the Bureau of Personnel. The foremost difficulty the agency faced was staffing. On the one hand, turnover in the state government workforce was unusually high, with a large number of state employees leaving their positions for the military or for jobs in critical war industries that paid high wages and attracted workers with patriotic appeals.³⁵ On the other hand, as the nation's war effort gained momentum, an acute labor shortage developed nationwide and applicants for state positions became scarce. In 1940, the state hired 2,356 workers from an applicant pool of 21,161; in 1943, 4,039 positions were filled from a depleted pool of just 8,568 applicants.³⁶

The Bureau took a number of actions to deal with the wartime labor shortage, such as streamlining procedures to speed up the hiring process, implementing a program of paid advertising in newspapers and magazines, giving examinations on a more frequent basis (sometimes daily or at the time of application), and creating war service classes with lowered examination standards for difficult-to-fill positions.³⁷

During World War II the Bureau also implemented a cost-of-living bonus program to respond to wage inflation in the general labor market; offered (in cooperation with the War Manpower Commission) train-the-trainer and supervisory training programs to improve employee morale and increase productivity; conducted a classification survey to address "unusual distortions and interminglings of work assignments" resulting from makeshift staff redeployments; instituted a trainee program for disabled veterans; and managed the reemployment of large numbers of state workers returning from leaves of absence for military service.³⁸

The State of Wisconsin faced another severe labor shortage in the 1950s during the Korean War. Again the Bureau of Personnel responded by implementing innovative recruitment and selection techniques. For example, a new "miniature bureau" was opened in the Capitol building for the recruitment, examination, and certification of clerical positions. In addition, the Bureau began scheduling examinations at night and on weekends, actively recruited in high schools and vocational schools, and inaugurated the "cumulative examination technique," whereby one combined examination with different passing points was administered for clerk, typist, and stenographer positions.39 Other wartime initiatives included establishing emergency services classifications for positions in short supply, making adjustments to the cost-of-living bonus, and beefing up training activities to offset skill shortages, such as sponsoring refresher courses for stenographers and typists.40

By the mid-1950s, the State of Wisconsin had developed a comprehensive personnel management program under the central direction of the Bureau of Personnel and enjoyed a national reputation as a pioneer in the adoption of modern personnel practices and procedures. Within existing resource constraints and priorities, the Bureau was responsible for administering a variety of personnel functions, including

recruitment; examination development, administration, and certification; employee protection rules; position classification; pay plan administration; payroll certification; administration of civil service regulations pertaining to transfers, promotions, leaves of absence, layoffs, etc.; assistance to local units of government; centralized training services; a statewide employee



Men looking for a job during the Great Depression. 1933

performance evaluation system; incentive programs including annual merit salary increases and the employee suggestion program; centralized communication of personnel policies and procedures; and research and development of state personnel policies, programs, and practices.⁴¹

By the end of the 1950s, the Bureau of Personnel had made the transformation from its origins as an "employment agency" to a full-service centralized personnel shop. As Bureau of Personnel employee William M. Haines noted:

The fifty-year history of civil service in Wisconsin has seen a gradual transition from the traditional civil service agency, primarily concerned with getting people into public service through merit alone, to that of a service agency with a new and broader objective of sound personnel administration. Although the Wisconsin Bureau of Personnel has not lost sight of its responsibility to exercise those controls necessary to safeguard the merit principle, its program emphasis has turned toward that of assistance, in a staff capacity, to departments of state government in the solution of overall personnel problems, and in finding ways and means of improving its service to departments and employes.⁴²

POLITICS AND CIVIL SERVICE

The "official" history of the Bureau of Personnel, as chronicled in biennial reports, Wisconsin Blue Book articles, and other government publications, is that of an agency that championed the merit principle throughout its existence and was an innovator in adopting modern public personnel management policies and practices. The "unofficial" history, as reported in newspaper articles and editorials, is that of an agency that was often criticized for alleged partisan activities and was frequently the center of highly-charged political debate.

Political discourse of this nature is inherent in a democratic system of government where "the tension between the society's desire for depoliticized, meritoriented public services and its interest in enabling elected representatives to effectuate their policies" makes the "institutional arrangements for public personnel administration subject to constant reevaluation

and modification."⁴³ Indeed, by one account, by the end of the 1943 legislative session, 146 attempts had been made to amend or "kill" Wisconsin's civil service law.⁴⁴

In general, the Bureau was embroiled in controversy whenever the statehouse changed hands through the electoral process. The incoming party or faction sought greater control over state government through the appointment of officials and employees loyal to the new governor, and wanted those loyal to the old regime replaced. The rub, of course, was that the state's civil service laws stood in the way.

Therefore, various legislative bills were introduced in an attempt to limit or curtail the authority of the Bureau of Personnel. As discussed below, on at least one occasion during this era, legislators sought to eliminate civil service altogether. On other occasions, purported reform bills were put forth that in practice would have had the same effect. In other instances, attempts were made to place the Bureau under the direct control of the governor rather than the independent state Personnel Board. Along the way, various measures were introduced (and sometimes passed) to exempt newly created or reorganized departments or large groups of employees from civil service coverage.⁴⁵

The first major challenge to the Bureau of Personnel came in 1933 when, as a result of the Roosevelt landslide, the Democratic Party took over the Wisconsin governorship for only the third time since 1856. Believing they had a mandate for change, the Democrats, led by Governor Albert G. Schmedeman, took the position that legislation was needed "to wipe out the entire civil service organization to give the state a complete Democratic administration."

The original bill introduced by Senator William Carroll called for an outright repeal of the civil service law, but a substitute bill was quickly introduced which would have eliminated the Bureau of Personnel and Personnel Board in favor of a single civil service director reporting directly to the governor. According to its proponents, the legislation was needed because the Bureau was under the partisan control of the Progressive wing of the Republican Party.⁴⁷ To its opponents, the proposal was little more than a disguised effort to end civil service.⁴⁸ One editorial characterized the bill as a "vicious and deceptive"

attempt by "a coalition of reactionaries" to "ruthlessly strike at the heart of good government in this state." Another stated that "civil service in Wisconsin has come on evil days," and that the bill would fix alleged problems "by destroying the system altogether, except in name." 50

After much legislative maneuvering and acrimonious debate, a coalition of Democrats and Stalwart Republicans passed the measure in the senate and sent it to the Democrat-controlled assembly, where easy passage was expected.⁵¹ Instead, the assembly overwhelmingly voted to defeat the measure after one newspaper ran an editorial and published "documentary evidence" that utility lobbyists, unhappy with the aggressive rate-cutting practices of the Public Service Commission, were working behind the scenes to get the bill passed "to strike an undercover blow" to that agency.⁵² After the "crisis" passed, the state personnel director characterized public opposition to the failed bill as "a complete revulsion on the part of the people of the state," and singled out the League of Women Voters for the role they played in defending Wisconsin's civil service system and promoting the "movement" nationally.53

A second major challenge to the Bureau of Personnel occurred in 1939. The Stalwart Republicans wrested the governorship from the Progressive wing of the Republican Party in the September 1938 primary, opening the door to the election of Governor Julius Heil. During the next legislative session, a wave of measures was introduced by to curtail civil service, including a bill introduced by Representative William Goldthorpe that proposed to:

- Abolish the current Personnel Board and recreate a new one appointed by the governor;
- Remove the Personnel Director from civil service protection;
- Remove 4,500 temporary and seasonal jobs from coverage;
- Exempt legislative employees from civil service (a unique feature of Wisconsin's law);

- Give department heads, with gubernatorial approval, the authority to remove positions from civil service; and
- Extend from three to five the number of names certified for appointment consideration.⁵⁵

Supporters of the bill again hailed it as a civil service reform measure. Turning the original rationale for the creation of the civil service system into an argument for its demise, they claimed that the Bureau was little more than a "racket to supply and hold jobs for henchmen and friends of the Progressive Party which created it."56 Opponents, including the National Civil Service Reform League, the League of Women Voters, labor unions, and The Capital Times, again denounced the proposal as a veiled attempt to destroy civil service.57 Its cause wasn't helped by newspaper accounts of Goldthorpe's publicly stating at a political gathering, "The spoils go to the victor. There is no question about that."58 In the end, the measure proved to be short-lived and went down in defeat after the Republican Assembly Speaker led a floor fight against it, despite accusing the preceding governor of "malfeasance" in administering the civil service law.59

The Bureau of Personnel was in the forefront of political debate a third time in the spring of 1947, when a special legislative committee investigating the bureau sponsored a bill to reorganize the agency. The proposed law would have abolished the existing structure and replaced it with a three-member, full-time commission and an unclassified executive officer appointed by the governor.

Significantly, this measure was different than those described above because allegations of partisanship were not an issue, nor was the institution of civil service being questioned. Instead, the competency of the current personnel director was under attack, as well as the alleged lack of oversight provided by a part-time board. Legislators were angry with the director because they felt he was too sympathetic to the Wisconsin State Employee's Association on wage increases and other monetary issues and was not looking out for the state treasury in a time of fiscal constraint. Department heads were also reported to be unhappy because the Board had reinstated a number of discharged employees. Again, state labor leaders

and national experts came to the bureau's defense, criticizing the proposal as "throwing civil service directly into politics" by putting the director's appointment on a "purely political basis which has never been found in any state civil service law heretofore written." After passage in the senate, the bill went down to defeat in a stormy assembly session replete with charges of logrolling. 63

SURMOUNTING ACCUSATIONS OF HOAKUM AND HUMBUGGERY

During the 1930s and 1940s, newspaper coverage of the Bureau of Personnel was often negative, frequently criticizing the agency for questionable personnel practices and examination techniques. Examples abound, including headlines such as "Woman Member Charges Outside Interest Control Personnel Bureau's Appointments," "Liquor Tax Inspectors Campaign at State Expense," "Wisconsin Slipping as a Civil Service State," "Why was Law Ignored?," "State Civil Service is Due for Overhauling," and "Much Hoakum in State Civil Service":

With the development of civil service, however, have come tricks and loopholes to beat the principle of civil service. . . . There are now backdoors through which favored applicants for jobs can be ushered. . . . There is a lot of hoakum in this civil service business and some day there will be an exposé of the humbuggery that has transacted under the guise of civil service. 69

Indeed, it was even reported that the former long-standing director of the Bureau, who had earnestly defended its practices in the political controversies of 1933 and 1939, was "frank enough to admit at one time that in some cases political pressure had been effective in the choice of appointees."⁷⁰

By 1950, however, most press coverage was overwhelmingly positive, with much "hometown" pride in the state's rich tradition of non-partisan civil service, especially as compared to employment practices in other states and at the federal level. Representative quotes include:

It is difficult to conceive, although statistics for comparison are not at hand, how any state in the nation

could have applied the merit principle more thoroughly and rigidly in recruiting for state service jobs than has the State of Wisconsin.... The idea of merit examinations for state government workers is so well entrenched that it will probably never be challenged.⁷¹

* *

To a degree that is rarely realized, however, patronage has been virtually extinguished in the state service. . . . The best law is not self enforcing. There are ways to evade the civil service law if the civil service administrators want to evade it. . . . But it is worthy of notice that there is little or none of that practice today for there hasn't been a complaint about civil service administration in Wisconsin for years. . . . For all practical purposes, patronage as an instrument of party politics has disappeared in Wisconsin state government.⁷²

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The merit system is one of the most firmly established policies in state government and a tribute to the common sense of the people of Wisconsin.⁷³

Recollections of a State Employee

My employment in Wisconsin state government lasted 20 years, first at the University of Wisconsin-Madison and then at the Department of Revenue (DOR). I was hired by DOR as an Administrative Officer in 1976 to oversee the Affirmative Action, Employee Assistance and Employee Development and Training programs. I really enjoyed what I had to do and had support from the Department through funding and staff for the programs. We developed career ladders for women employees in the Department and were successful in promoting and retaining many talented women in the civil service system.

-Agnes Cammer



Such sentiment was particularly evident in articles that appeared before a general election,⁷⁴ after a change in administration, whenever a new personnel director was named,⁷⁵ and upon the occasion of the fiftieth anniversary of Wisconsin's civil service law in 1955.⁷⁶ The change in press coverage from the disparaging articles of the 1930s and 1940s to the glowing accounts of the 1950s is reflective of the maturation of the Bureau of Personnel and systemic reform induced by the political process.

The Bureau of Personnel made great strides in implementing a comprehensive personnel management program for the State of Wisconsin. For sure, the agency faced many challenges along the way, including the Great Depression, World War II, and the Korean War, as well as the trial and tribulation of periods of intense legislative oversight, highly-charged political debate, and harsh media scrutiny. Still, at the twilight of its existence, with major institutional reform on the horizon, the Bureau had established a proud legacy of achieving the ideals of a non-partisan civil

service in Wisconsin. As the eminent political scientist Leon Epstein wrote in 1958:

One important respect in which Wisconsin practice differs from that of many states is the very limited role of patronage in the political process. Aside from a handful of high-level positions, mainly filled by gubernatorial appointment, the state government is staffed—and has been largely so for half a century by a well-developed civil service recruited by competitive examinations. It is impossible for an individual candidate or a party to build a political organization based on state patronage appointments or on the prospect of such appointments. Civil service is of such long standing and so taken for granted that a party would run great political risks if it sought to introduce large-scale patronage. The prohibition of political activity by civil service employees is accordingly a meaningful regulation.77

-Mark Isenberg

Timeline of Wisconsin Civil Service • 1929–1959

1933

A legislative effort to dismantle the civil service system failed.

1935

Employees were granted the right to appeal discharges to the Personnel Board.

1937

Beverage Tax Division was brought from the State Treasurer's Office into the classified service. This is the last significant group of employees to be brought into the civil service.

1939

The Legislature authorized the Bureau of Personnel to assist counties, cities and villages that have civil service systems.

1941

State law was modified to require job classes to be based on similarity of job duties.

1954

The Employee Suggestion Program was created as the Merit Award Board.

1957

Limited Term Employment (LTE) was created. The Director of Personnel was authorized to establish rules for recruiting and examination and also given ability to waive residency and citizenship requirements for professional employees.

